

MEMORANDUM

DATE: December 28, 2011
TO: Human Services Committee
FROM: Ken Gibb, Director, Community Development Department
SUBJECT: FY 12-13 Social Service Allocations

I. Background

The City has for many years provided funds to agencies that assist Corvallis residents with their social service needs. In compliance with Council Policy 00-6.05 (Attachment A), policy priorities are reviewed annually for the upcoming year's funding.

The City has contracted with the United Way of Benton and Lincoln Counties for many years to manage the City's social service allocations process. As the contract administrator, United Way appoints a citizen based committee to review funding requests including whether or not the proposal meets priorities established by the City and makes recommendations to the City for Council approval. In addition, United Way staff monitors agency performance and prepares semi-annual reports for City review. The current contract was authorized in September 2009 and has a three year term that establishes a 5% fee to United Way for providing this service.

At the December 20, 2011 meeting, HSC heard a preview of United Way of Benton and Lincoln Counties suggestions for the upcoming United Way and City allocations process and agreed to review the social service allocation priorities, calendar and potential funding amounts for FY 12-13 at the January 4, 2012 meeting

II. Discussion

Consistent with Council Policy 00-6.05, a full review of the social services policy is not called for this year but the annual determination of funding priorities is required. In addition, the calendar for social service allocations must be set and the availability of funds announced. The following will discuss each of these topic areas.

Funding Priorities:

Funding priorities are called out in 6.05.060 and are currently determined to be Emergency and Transitional Services. As defined by 6.05. 050. **Emergency Services**

are: programs or services that provide immediate or short term assistance to meet any of the basic human needs when absent. Transitional services are: programs or services that provide people with a short or defined period of assistance to sustain their basic human needs in the transition to self-sufficiency.

Emergency and Transitional Services have been the City's social service allocation program funding priorities for many years. HSC should review and make a recommendation to the City Council as to whether continue these priorities.

Allocation Process Calendar:

Attachment B includes the proposed calendar for the allocation process as proposed by United Way. Major action dates include sending RFP packets to agencies in late January, agency presentations in mid-March, and allocation/granting committee meetings and recommendations in mid-May followed by HSC and City Council review of funding recommendations in June 2012.

This process incorporates the proposal by United Way that the City and United Way application and granting committee process be conducted concurrently thereby increasing efficiency for applicant agencies, volunteers and United Way staff.

Funding Availability:

FY 11-12 funding for social services totals \$352,870. This amount consists of \$102,870 from the voter approved levy and \$250,000 from the General Fund.

Section 6.05.040 a. 2) of the Policy sets forth the formula used in recent years for determining social service allocation amounts. This was based on CPI based adjustments to the FY 99-00 base amount of \$370,720. The policy also allows adjustments due to general and economic conditions facing the community. This occurred in FY 10-11 when the social service allocation amount was reduced by 6.5% due budgetary considerations.

Last year, in light of continuing City budget challenges, the City Manager presented a November 2010 proposal to the City Council that the funding amount for social services allocations be \$250,000. This early recommendation was then communicated to United Way for use in initiating the FY 11-12 allocation process. Subsequent to that action, the Budget Commission and City Council decided to present a levy that included \$102,870 for social service programs. Upon voter approval of the levy, this amount was added to the original \$250,000 resulting in the FY 11-12 funding availability of \$352,870.

The amount of funding available for FY 12-13 social services allocations will not be finally set until the City Council approves the budget in June. In the meantime, the City Manager's recommended budget will be forwarded to the Budget Commission in April. Based on the proposed allocations calendar, the City Manager's budget recommendation will come after the social service allocation applications are submitted and review by the granting committee has begun but before the allocation meetings are conducted in mid-May and a recommendation to the City Council is made.

United Way is familiar with conducting the allocation process with an unknown funding amount available and has used a 'floor and ceiling' approach in the past couple of years. At this point, the floor amount would be the approximately \$106,000 produced by the levy (this year's amount plus an estimate growth in assessed value of 3%). A reasonable ceiling amount would be the current year's funding amount of approximately \$350,000.

This wide range \$106,000 - \$350,000 will make it challenging for agency applicants, United Way volunteers and Staff alike but the alternative of waiting several months before conducting the allocations process does not appear to be a viable option. United Way is prepared to move forward with the process despite the uncertainty in funding levels.

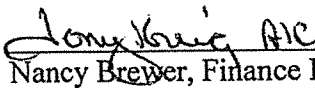
III. Action Requested

ASC is asked to consider this information and make recommendations to the City Council regarding the following:

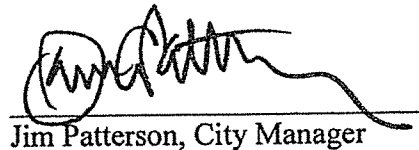
1. The social service funding priorities for FY 12-13
2. The allocations calendar and anticipated funding amount (or range) for FY 12-13.

In addition, it is noted that United Way has again requested a City Councilor be appointed as a liaison to the granting committee. Typically, the Mayor will appoint a member of HSC to serve in this capacity.

Review and Concur


Nancy Brewer, Finance Director

Review and Concur


Jim Patterson, City Manager

Attachment A - Council Policy on Social Service Funding
Attachment B - Proposed FY 2012-13 Social Services Allocation Calendar